GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:620
ANSWERED ON:23.02.2001
NEGATIVE GROWTH OF AUTO INDUSTRY
GADDE RAMAMOHAN

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Auto Industry have posted negative growth in the last nine month of current financial year;

(b) if so, the details and reasons therefor; and

(c) the corrective steps taken by Government in this regard?

Answer

MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA)

(a)to (c): The automobile sector as a whole has shown production growth of 2.9% during April-December, 2000 over the same period of 1999. While Two wheelers, Three wheelers and Multi utility vehicles have recorded growth. Passenger cars and commercial vehicles have shown decline in production as per details given below:-

(Production in Nos.)

Category	April-December, 1999	April-December, 2000
Passenger Cars	422,080	358,785
Multi utility vehicles	84,925	88,231
Commercial vehicles	121,835	102,938
Three wheelers	155,554	170,432
Two wheelers	2,694,843	2,859,784
Total	3,479,237	3,580,170

The reasons for decline in production of cars and commercial vehicles are mainly attributed to demand constraint. The demand is expected to pick up as the economy grows.